

Montgomery In Focus

Nancy Floreen

March 2009



Understanding Your Property Tax

The State of Maryland conducts property tax assessments every three years with one-third of homes being reassessed every year. This approach tends to even out the ups and downs of the real estate market. This year about 118,000 homes were re-evaluated, and residents had the option of appealing if they thought the assessment was inaccurate.

In this round, home values fell an average of 16.3% in Montgomery County, a much more significant drop than the state average of 3.5%.

This drop doesn't necessarily mean a lower tax bill, though, because so many residents receive the Homestead Tax Credit which sets a cap for the amount any homeowner's assessment can rise in a given year. The cap varies by County, and here in Montgomery the cap is set at 10%. That means long-time homeowners see their assessments rise by roughly the same amount each year, regardless of new valuations. Unless the new assessment falls below the taxable assessment with the Homestead

Tax Credit, taxpayers will not see a decline in their property taxes. To see an example of how this works, visit my blog at www.nancyfloreen.blogspot.com.

It is important to note that a new law enacted in 2007 requires all homeowners to submit a one-time application to establish eligibility for the Homestead Tax Credit. Formerly, the credit was applied automatically to residential properties, but not now. The application form is included in the assessment notice, or the form can be submitted online. Taxpayers are not required to apply for the credit until their routine three-year assessment, but don't forget. It is very important.

Fast Fact

According to our financial analysts, resident employment has stalled in Montgomery County and is starting to decline. Our unemployment rate was 3.7 percent in November 2008, well below the state's rate of 5.8 percent, but above the county's 2.5 percent rate in November 2007.

New Approach Needed for WSSC

The Washington Suburban Sanitary Commission (WSSC) set a new record with 611 breaks and leaks in January. Granted, it was an especially cold month, but there's more to the problem than a few degrees.

We learned at the January briefing by the WSSC that the agency's commissioners are unable to work together and remain stalemated on important issues such as the appointment of a general manager. I was appalled to learn that after two of the costliest and most dangerous water main breaks in the agency's history, the Commission had yet to have any conversation about the causes, let alone an action plan for



Assessment dropped an average of 16.3%.



We're currently on a 200-year pipe replacement cycle.

the future. These failures are placing public health and safety at risk.

The WSSC is a state-chartered agency that provides public water and sewer services to 1.8 million residents of Montgomery and Prince George's counties. It is governed by three commissioners from each county, appointed by the respective county executives. The two county councils jointly approve the annual WSSC budget.

I have nothing but respect for the Montgomery County commissioners and the agency's hard-working employees, but modest legislative fixes will not do the job. I urge the General Assembly to replace the current structure with one that can act quickly on matters of public health and safety. It is time to eliminate the ongoing political manipulation. I propose that we break the logjam with legislation to add three commissioners to be appointed by the Governor.

On December 23, a 66-inch concrete pipe water main broke near River Road. Although there were no major injuries resulting from the break, 15 motorists and passengers had to be rescued from the flooding via swift water boats and by helicopter.

In January, a break in a 42-inch main caused a three-day boil water advisory for 90,000 homes and businesses in Prince George's County. Other major

disruptions have occurred in recent years. In fact, the WSSC experienced 1,709 water main breaks and leaks in 2008, its fifth worst year since 1984. In 2007, the WSSC set a new record for water main breaks with 2,129.

In my six years as a Council member and chair of the committee charged with overseeing WSSC, I've tried to work within the system to make improvements. But I am now convinced that we must start anew and construct a different kind of WSSC.

Now on Facebook

I finally found out what everyone has been talking about. On my new Facebook page you'll find links to the articles that shape my thoughts, some of my favorite photos, regular updates from my blog and casual banter about life and politics. Feel free to stop by and chat.

Montgomery Women Power Tea

Be there or be square. Join me at Montgomery Women's Awards Reception and Power Tea on Sunday, March 8, 3:00-5:00 in the afternoon at the Mansion at Strathmore. As chair of this non-partisan organization, I can say with confidence that the tea is one of the county's best networking opportunities for women.

Our membership includes many of the county's most influential women in business, education, civic affairs, government and politics. We bring together women from all cultural backgrounds to advance common interests and support outstanding women in their quest for positions of power and influence.

You are welcome to attend this event even if you are not a member for a cost of \$25 at the door. Or consider joining Montgomery Women and take part in information briefings, leadership forums and networking events throughout the year. I look forward to seeing you at the tea.

Subscribe Online

www.montgomerycountymd.gov/esubscription/